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Administrator

Administrative Business Department

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Business
Director

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Risk & Safety
Coordinator

Keith
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Bethany Pope
Finance
Manager

Ron
Seymour
Capitol
Investment
Program
Coordinator

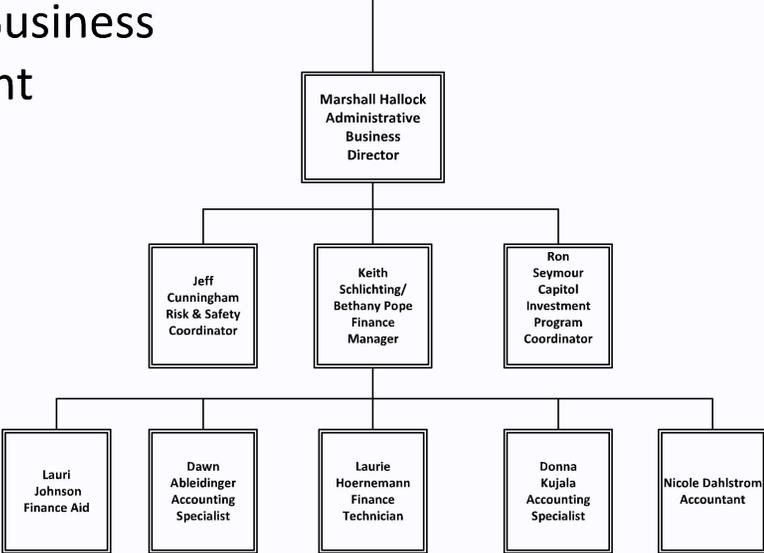
Lauri
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Finance Aid

Dawn
Ableidinger
Accounting
Specialist

Laurie
Hoernemann
Finance
Technician

Donna
Kujala
Accounting
Specialist

Nicole Dahlstrom
Accountant

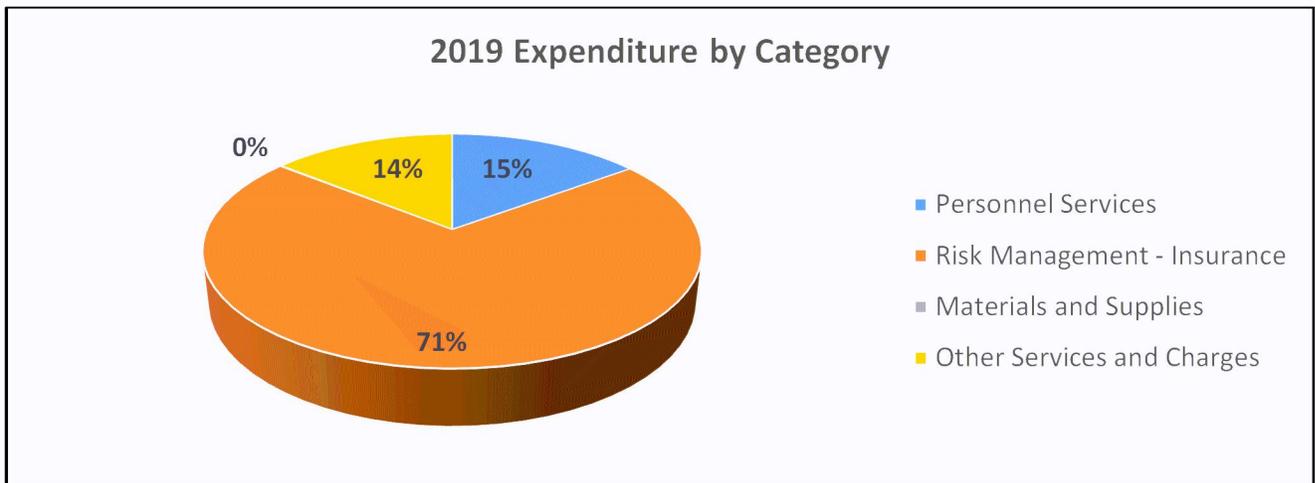


ADMINISTRATIVE BUSINESS DEPARTMENT
FINANCE, AUDITING, GENERAL CONTINGENCY, RISK MANAGEMENT

Function: General Government & Internal Service
Director: Marshall Hallock, Administrative Business Director
Fund#: 101, 701, 705, 708
Activity#: 41520, 41540, 49200, 49970, 49975, 49980

Aggregate Budget Summary

Administrative Business Department <i>Full-Time Employees</i>	Actual FY 2017	Actual FY 2018	Budget FY 2019 8.55
Personnel Services	\$ 588,328	\$ 789,654	\$ 852,440
Risk Management - Insurance	\$ 4,573,365	\$ 4,003,533	\$ 4,067,495
Materials and Supplies	\$ 5,571	\$ 12,900	\$ 6,800
Other Services and Charges	\$ 248,720	\$ 988,565	\$ 813,233
Total	\$ 5,415,984	\$ 5,794,652	\$ 5,739,968

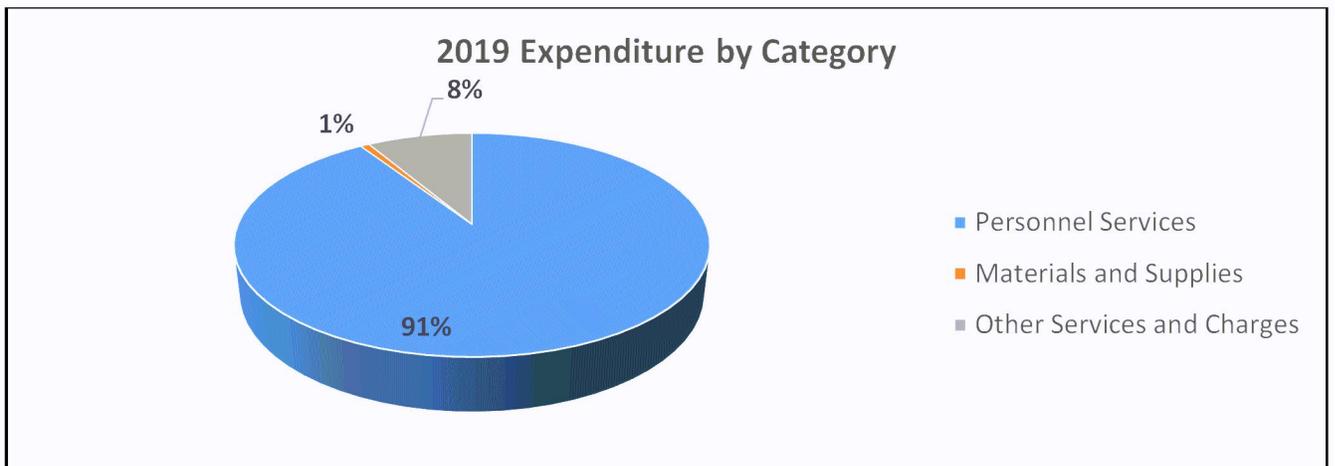


ADMINISTRATIVE BUSINESS DEPARTMENT
FINANCE

Function: General Government & Internal Service
Director: Marshall Hallock, Administrative Business Director
Fund#: 701 (Internal Service Fund)
Activity#: 41520 (Administration ISF – Finance)

Budget Summary

FINANCE <i>Full-Time Employees</i>	Actual FY 2017	Actual FY 2018	Budget FY 2019 7.55
Personnel Services	\$ 588,328	\$ 789,654	\$ 852,440
Materials and Supplies	\$ 5,571	\$ 12,900	\$ 6,800
Other Services and Charges	\$ 52,563	\$ 72,416	\$ 80,079
Total	\$ 646,461	\$ 874,970	\$ 939,319



Scope of Services:

Manages the City’s financial resources and assets to ensure taxpayers’ confidence, the organization’s effectiveness, and the City’s financial integrity. Effectively represents the City at multiple levels of governance: federal, state, and local to achieve legislative and program success.

The Finance Division of the Administrative Business Department plays a vital role in supporting city operations. The Finance Division provides services in the following key program areas:

Administration:

The Finance Officer’s responsibility is defined in general in the City Charter as being responsible for all of the accounts of the City. In addition, this program area provides strategic oversight and coordination of the department; and, human resource and administrative support for the department.

This program area also provides support for the Mayor's and City Council's advocacy activities with other units of government and partners. This program area directly represents City interests at the federal, state, and local level and with other partners such as the League of Minnesota Cities, Coalition of Greater Minnesota Cities, Coalition of Utility Cities, and Xcel Energy.

Additionally, this program area also provides long term financial planning and modeling, actively monitors and reports on the local tax base, actively monitors and reports on legislation and other activities potentially impacting the utility tax base, and makes recommendations regarding such to management and elected officials.

Finance/Accounting:

This program area plays a critical role in accurately recording the City's financial transactions, safeguarding the public's assets, financial analysis, and maintaining the integrity of the City's finance system. This program area provides financial information to City policy-makers, City staff, and decision-makers enabling them to perform their job more effectively and provide services to City residents. Information is also made accessible for external stakeholders such as the public, City investors, bond rating agencies, the State Auditor and grant agencies. A primary goal of this program is to ensure fiscal responsibility through monitoring and internal controls, and provision of financial information for strategic decision-making among department managers and leadership.

Key services provided by this program area include: monitor and report department revenues and expenditures to managers and policy-makers including grant-related revenues and expenses, and report this information to grantors, prepare the City's Comprehensive Annual Financial Report (CAFR), respond to internal and external audits, design and administer rate models that allocate shared costs for internal services and assist managers during the annual budget process, and provide financial analyses and pertinent information necessary to support City decision making and investments.

Budget:

This program is responsible for the management, planning, and oversight of the City's financial resources and commitments. Policy-makers, management, staff, residents and businesses rely on this program for information and direction on City finances, budget development, and the strategic use of resources.

Investments, Capital, and Debt Management:

This program oversees and manages the City's banking and investment relationships to provide the best return on financial assets, is responsible for leading the capital budget process, and for managing the city's debt. This program is also responsible for identifying and securing external financial resources, facilitating City bond issues, managing debt and debt service, and tracking the use of bond authority.

Revenue & Collections:

Utility billing is collaboration between the Finance and the Public Works Departments to invoice, collect revenue and provide specific utility customer account information related to the delivery of City solid waste, water, sewer, and storm water services. The revenues generated sustain the operation of these departments making it imperative that revenues are billed and collected in an efficient and timely manner.

In addition, Accounts Receivable, performs accounts receivable, special assessment, and hotel/motel lodging tax functions including collection activities for non-utility services provided by other City Departments.

Expenditures & Disbursements:

This function is in part a collaboration between Finance and all the other City Departments. The function controls most disbursements made from City funds, excluding those for investments, payroll, payroll liabilities, and a few others. This function ensures that all disbursements of City funds are timely, accurate, and made in conformity with internal controls and established City policies and procedures.

Payroll:

This program effectively administers the provisions of City labor agreements and labor related pay work rules and numerous federal and state laws to efficiently and accurately pay City employees every two weeks (the number of City employees on the payroll fluctuates throughout the year). Through this program, the City also pays various benefit-related payments such as health and dental premiums, deferred compensation and flex accounts as well as other payments such as union dues.

Objectives:

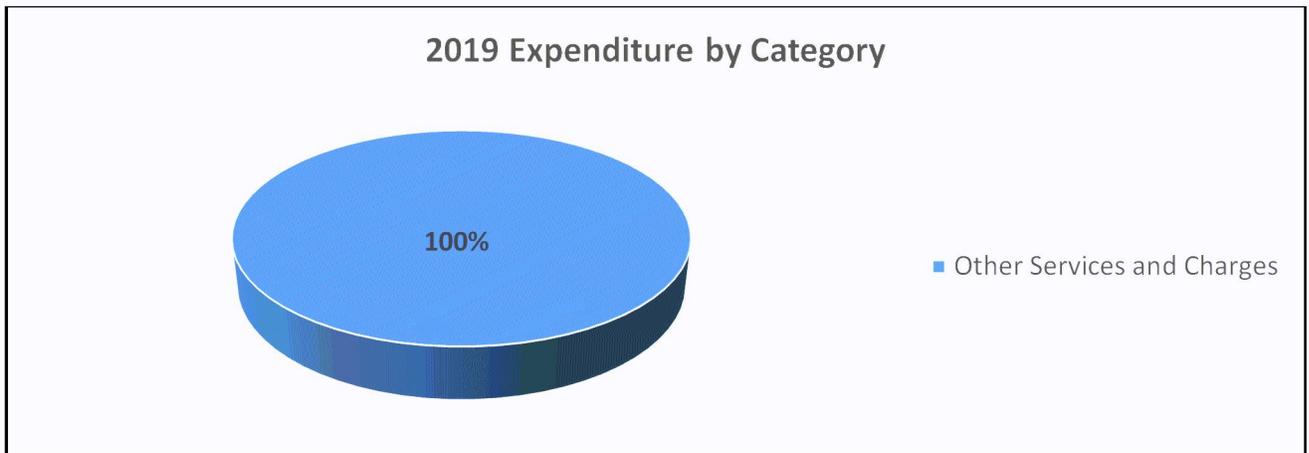
1. Provide financial management, information, and business products to policy makers, departments, agencies, investors, and the community so they can have confidence in the City of Red Wing's government, make informed decisions, and achieve their results.
2. Strong financial management.
3. Accurate financial reporting.
4. Advocate for the City while working collaboratively with federal, state, and local governments and partners on legislative policies and financing needs.

ADMINISTRATIVE BUSINESS DEPARTMENT
AUDITING

Function: General Government
Director: Marshall Hallock, Administrative Business Director
Fund#: 101 (General Fund)
Activity#: 41540 (Auditing)

Budget Summary

AUDITING <i>Full-Time Employees</i>	Actual FY 2017	Actual FY 2018	Budget FY 2019
Other Services and Charges	\$ 43,093	\$ 42,450	\$ 44,450
Total	\$ 43,093	\$ 42,450	\$ 44,450



Scope of Services:

The Audit activity within the General Fund accounts for non-staff related activities associated with the annual auditing of the city’s financial activities by external and independent auditors; the production of the Comprehensive Annual Financial Report (CAFR), Management Letter, Single Audit Report, annual reporting to the Office of the State Auditor (OSA), and other reporting agencies and rating agencies.

Objectives:

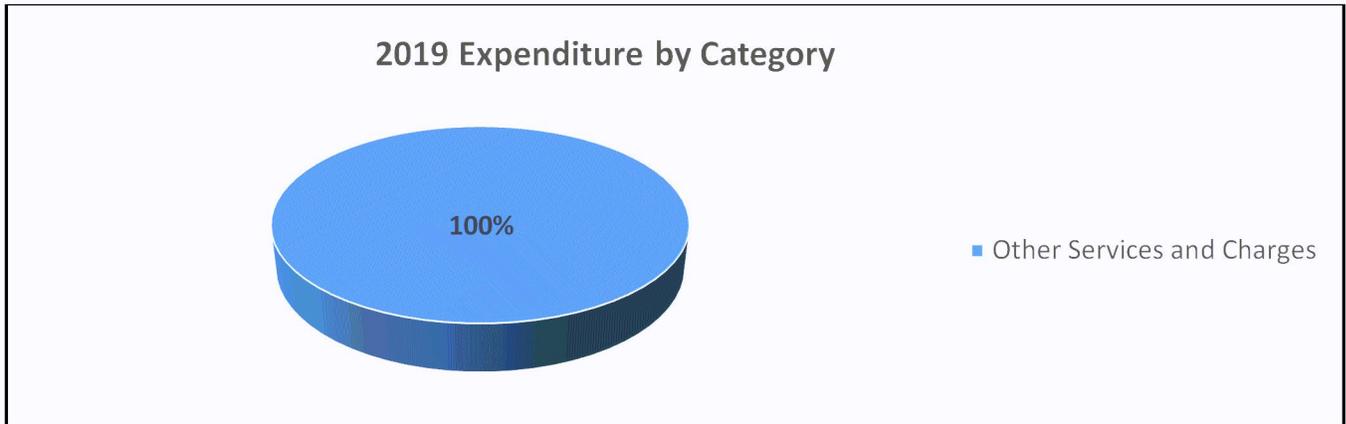
1. To provide financial transparency.
2. Promote confidence among citizenry that tax dollars are being used wisely.

ADMINISTRATIVE BUSINESS DEPARTMENT
GENERAL CONTINGENCY

Function: Miscellaneous
Director: Marshall Hallock, Administrative Business Director
Fund#: 101 (General Fund)
Activity#: 49200 (Membership Dues, Council Contingency, Appropriations, Operating)

Budget Summary

GENERAL CONTINGENCY <i>Full-Time Employees</i>	Actual FY 2017	Actual FY 2018	Budget FY 2019
Other Services and Charges	\$ 153,064	\$ 873,699	\$ 688,704
Total	\$ 153,064	\$ 873,699	\$ 688,704



Activity Scope:

The reserves/unallocated contingency activity is utilized to budget present reserves to be used for future expenditures and to set aside funds for unexpected occurrences or items whose costs cannot be readily estimated. The contingency activity also accounts for a variety of organizational needs, such as Council contingency, Council (city) memberships and appropriations.

Objectives:

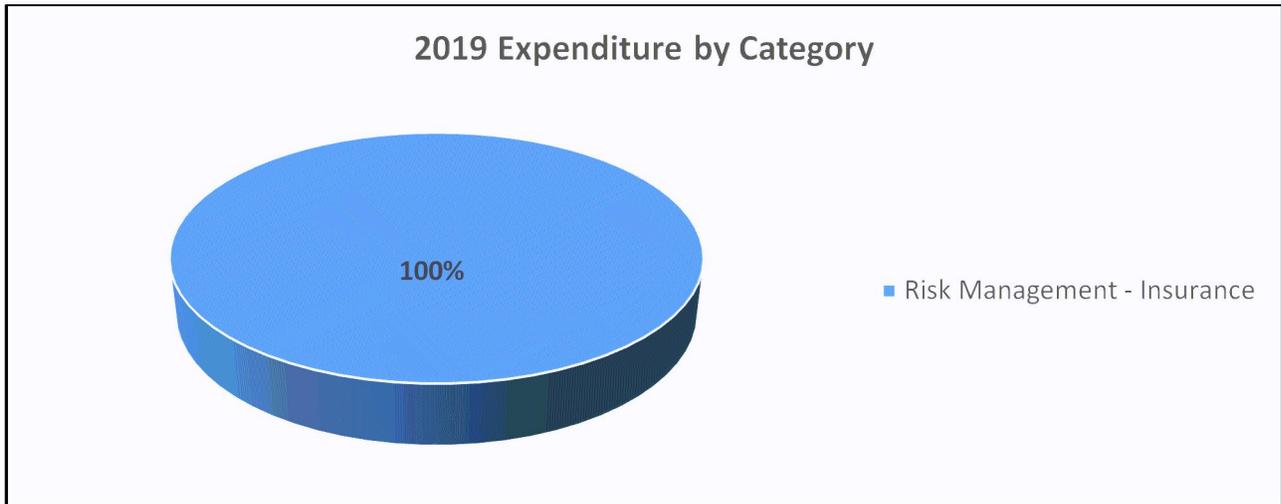
1. To set aside funds for unexpected occurrences.
2. Allow funding for items which costs cannot be readily estimated.

ADMINISTRATIVE BUSINESS DEPARTMENT
RISK MANAGEMENT

Function: Internal Service
Director: Marshall Hallock, Administrative Business Director
Fund#: 705 & 708 (Internal Service Fund)
Activity#: 49970 (Risk Mgmt ISF – Workers’ Comp), 49975 (Risk Mgmt ISF – Insurance)
 49980 (Risk Mgmt ISF – Hospitalization Fund)

Budget Summary

RISK MANAGEMENT <i>Full-Time Employees</i>	Actual FY 2017	Actual FY 2018	Budget FY 2019 1.00
Risk Management - Insurance	\$ 4,573,365	\$ 4,003,533	\$ 4,067,495
Total	\$ 4,573,365	\$ 4,003,533	\$ 4,067,495



Scope of Services:

This program is a collaborative effort between numerous City Departments including, but not limited to, the City Attorney and Human Resources. The goals of the City’s risk management and safety programming are the management and preservation of City assets, administration and management of the City’s health insurance plan, prevention of the injury to City employees, prevention of the loss of financial resources, administration and management of tort claims, as well as loss prevention activities including safety and OSHA programs and subrogation. This program plays a pivotal role in supporting the City in its ability to provide services to residents, administration of claims, and safety of the work environment, employees, and its citizens.

Objectives:

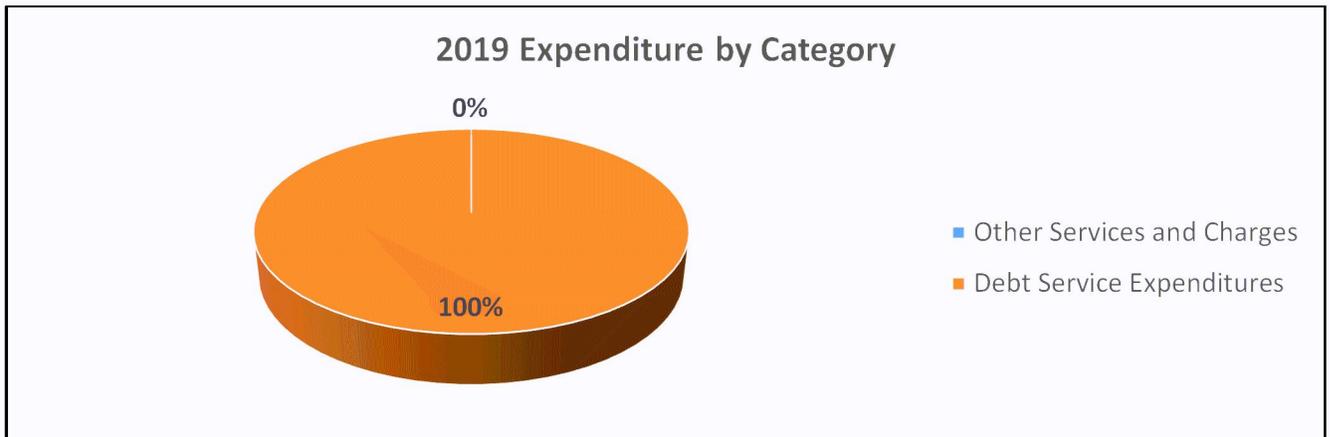
1. To identify and mitigate risk.
2. Carefully manage health, property/casualty, and other insurance programs and the costs related to them.

ADMINISTRATIVE BUSINESS DEPARTMENT
DEBT SERVICE

Function: Debt Service
Director: Marshall Hallock, Administrative Business Director
Fund#: 300-399 (Debt Service Funds)

Budget Summary

DEBT SERVICE FUNDS	Actual FY 2017	Actual FY 2018	Budget FY 2019
<i>Full-Time Employees</i>			-
Other Services and Charges	\$ 6,950	\$ -	\$ -
Debt Service Expenditures	\$ 2,486,515	\$ 5,326,216	\$ 6,032,111
Total	\$ 2,493,465	\$ 5,326,216	\$ 6,032,111



Special Note:

Debt Service Funds do not provide a direct tangible service to the public per se. They are presented here as an indication of their significance in the overall City budget.

Scope of Services:

Debt Service Funds are utilized to assist in managing the City’s debt.

Objectives:

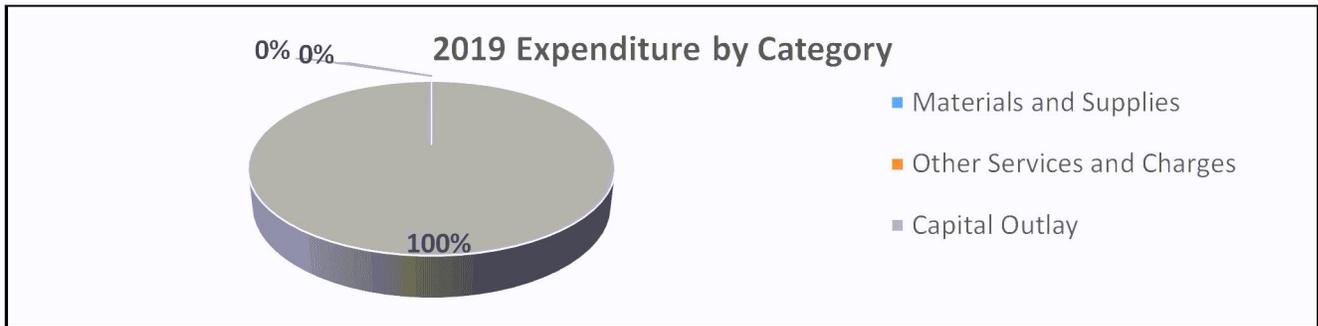
1. Carefully manage the City’s debt and debt service in accordance with all laws, regulations, and bond covenants.
2. Carefully monitor and track the use of the City’s limited bond authority.

ADMINISTRATIVE BUSINESS DEPARTMENT
CAPITAL INVESTMENT PROGRAM

Function: Capital Improvements
Director: Marshall Hallock, Administrative Business Director
Fund#: 400-499 (Capital Project Funds)

Budget Summary

CAPITAL PROJECT FUNDS	Actual FY 2017	Actual FY 2018	Budget FY 2019
<i>Full-Time Employees</i>			
Materials and Supplies	\$ 19,499	\$ -	\$ -
Other Services and Charges	\$ 2,312,361	\$ -	\$ -
Capital Projects	\$ 9,606,888	\$ 45,583,048	\$ 30,025,899
Total	11,938,748	45,583,048	30,025,899



Special Note:

Capital Project Funds do not provide a direct tangible service to the public per se. They are presented here as an indication of their significance in the overall City budget.

Scope of Services:

Capital Project Funds are utilized to assist in managing major capital improvement projects. Significant capital improvement projects within the three year period include the Sheldon Renewal Project, Fire Station 1 Renewal Project, Fire Station 2 Construction Project, PW Downtown Building Acquisition and Improvements Project, Waste-to-Energy Campus Renewal Project, River Renaissance Improvement Projects (Roads, Trails, Vogel Harbor), Levee Wall Improvements Project, 2017 – 2019 Street Reconstruction Projects, Sturgeon Lake Road Rail Grade Separation Project, Spring Creek/Highway 61 Intersection Construction Project, Safe Route to School Pioneer Road Roundabout Construction Project, State Aid Road Overlays Project, Downtown Street Lighting Renewals Project, and the TH 63 River Bridge Replacement Project.

Objectives:

1. Carefully manage the City’s major capital improvement projects.